UNITED STATES BANKRUPTCY COURT
DISTRICT OF MINNESOTA

In re: Case No. 10-35032
Chapter 11

Kladek, Inc.,
d/b/a King of Diamonds

Debtor.

NOTICE OF HEARING AND FIRST INTERIM APPLICATION FOR ALLOWANCE AND PAYMENT OF PROFESSIONAL FEES OF GRAY, PLANT, MOOTY, MOOTY & BENNETT, P.A., AS SPECIAL COUNSEL FOR THE DEBTOR IN POSSESSION

TO: The United States Trustee and other parties in interest specified in Local Rule 9013-3.

1. Gray, Plant, Mooty, Mooty & Bennett, P.A. ("Applicant"), as special counsel representing the debtor in possession, moves the Court for the relief requested below and gives notice of hearing.

2. The Court will hold a hearing on this Application at **10:00 a.m. on March 2, 2011,** before the Honorable Robert J. Kressel in Courtroom 8W at the United States Courthouse, 300 South Fourth Street, Minneapolis, MN 55415.

3. Any response to this Application must be filed and served not later than **February 25, 2011,** which is five days before the time set for the hearing (including Saturdays, Sundays, and holidays). **UNLESS A RESPONSE OPPOSING THE APPLICATION IS TIMELY FILED, THE COURT MAY GRANT THE APPLICATION WITHOUT A HEARING.**

4. This Court has jurisdiction over this Application pursuant to 28 U.S.C. §§ 157 and 1334, Fed. R. Bankr. P. 5005 and Local Rule 1070-1. This proceeding is a core proceeding. The

petition commencing this chapter 11 case was filed on July 9, 2010. This case is now pending in this Court.

5. This Application arises under 11 U.S.C. §§ 328(a), 330, and 331. This Application is filed under Fed. R. Bankr. P. 2016 and Local Rule 2016-1. Applicant requests allowance of compensation for professional services rendered to the debtor in possession.

6. By an Order entered September 30, 2010 [Docket No. 48] (the "Employment Order"), Applicant was authorized to represent the debtor in possession as (a) special counsel representing the debtor in possession with respect to claims asserted against the debtor in the *Dantzscher, et al. v. Kladek, Inc. d/b/a King of Diamonds Gentlemen's Club, Lawrence Kladek, and Susan Kladek* litigation pending in Dakota County Court, State of Minnesota, Court File No. 19HACV-09-5179; and (b) to represent the debtor in possession in any proceedings in this Court related to the *Dantzscher* lawsuit as may be requested by the debtor in possession's bankruptcy counsel. A copy of the Employment Order is attached to this Application as Exhibit A. This is Applicant's first interim fee application. Pursuant to the Instructions for Filing a Chapter 11 Case, paragraph 9(c), Applicant has made request for payment of 80% of professional fees and 100% of expenses incurred in its representation of the debtor in possession, on a monthly basis. Said payments to Applicant are current for services rendered through November 30, 2010.

7. By an Order entered December 8, 2010 [Docket No. 85], this Court ordered the United States Trustee to appoint a trustee in this case. By another Order entered December 8, 2010 [Docket No. 88], this Court approved the United States Trustee's appointment of Nauni J. Manty as the trustee in this case (the "Trustee").

RELIEF REQUESTED

8. By this Application, Applicant requests the allowance and payment of all professional fees in the amount of $96,029.00 and expenses in the amount of $318.54 for services rendered from September 1, 2010, through December 7, 2010, (the "Application Period") to the debtor in possession.

9. The legal services rendered by Applicant during the Application Period are detailed on the invoices attached at Exhibit B. During the Application Period, as approved in the Court's Order entered September 30, 2010, [Docket No. 48], Applicant charged the debtor in possession its customary hourly attorney rates for work performed through September 21, 2010, and, for work performed after September 21, 2010, Applicant charged adjusted rates of $350 per hour for work performed by shareholder attorneys and $300 per hour for work performed by associates. In some instances during the Application Period, Applicant voluntarily discounted its services beyond its adjusted $350 hourly rate for shareholder time.

10. The total amount of professional fees reflected in Exhibit B for the Application Period is $96,769.00, but Applicant seeks approval of a reduced amount of $96,029.00 in fees, as well as $318.54 in expenses, because Applicant has discovered inadvertent errors on two invoices included in Exhibit B that resulted in a $740.00 overcharge to the debtor-in-possession. Specifically, there was a $90 overcharge on Invoice No. 552004 for services performed in September 2010, because the Applicant inadvertently charged 11.05, rather than 9.6, hours at its customary shareholder rates for work performed prior to September 21, 2010 and 20.7 hours, rather than 22.1 hours, at the adjusted $350 shareholder hourly rate for work performed after September 21, 2010. On Invoice No. 554961, Applicant inadvertently charged approximately 9 hours of Megan L. Anderson's time and 1.75 hours of Judith Bevis Langevin's at a higher rate

than the adjusted $350 per hour shareholder rate, resulting in an inadvertent overcharge of $650.00 for services performed in November 2010. The following recaps the original professional fees invoiced to the debtor in possession and the correct amount due for which Applicant seeks approval in this Application:

Invoice No.	**Original Invoice Amount of Fees**	**Corrected Invoice Amount of Fees**	**Decrease in Fees**
552004	$13,459.00	$13,369.00	$90.00
554762	$38,047.50	$38,047.50	$0.00
554961	$41,955.00	$41,305.00	$650.00
558862	$3,307.50	$3,307.50	$0.00
Totals:	$96,769.00	$96,029.00	$740.00

11. The services performed by the Applicant during the Application Period and reflected in more detail on the attached Exhibit B include the tasks specifically described below.

Corbin Dantzscher, et al. v. Kladek, Inc., et al.
(Applicant Matter No. 134136): $96,029.00

Services in this matter relate to representing the debtor in possession in the putative class action lawsuit, including conducting written and deposition discovery tasks, responding to a proposed Amended Complaint, responding to a motion regarding the case and trial schedule, conducting settlement negotiations, documenting a proposed settlement, documenting proposed settlement notices and claims forms, assisting the debtor in possession's bankruptcy counsel to incorporate the proposed settlement into a proposed plan of reorganization, and preparing a motion for preliminary approval of the settlement in the state court.

Attorney/Paralegal	Hours	Hourly Rates	Amount*
Judith B. Langevin	0	$530.00	$0.00
Judith B. Langevin	57.30	$350.00	$20,032.54
Megan L. Anderson	9.60	$400.00	$3,840.00
Megan L. Anderson	167.80	$350.00	$58,666.43
Ugo A. Ukabam	0	$315.00	$0.00
Ugo A. Ukabam	13.30	$350.00	$4,653.66

Attorney/Paralegal	Hours	Hourly Rates	Amount*
Casey M. Nolan	2.20	$270.00	$594.00
Casey M. Nolan	16.80	$300.00	$5,022.62
Jennifer L. Pulkrabek	12.10	$150.00	$1,809.75
Johnathan A. McNeil	9.40	$150.00	$1,410.00
Total	**288.50**		**$96,029.00**

* Certain of the amounts in the "Amount" column incorporate discounts from the stated hourly rates.

12. Applicant's expenses in this case during the Application Period have a reasonable value of not less than **$318.54**. A summary of all expenses is set forth below:

Expense Type	Amount
Delivery Charges	$22.44
Dakota County Court Administrator – Fax Filing Fee	$25.00
Dakota County Court Administrator – Motion Response Filing Fee	$100.00
D. Brian's – 10/21/10 Catering fee	$32.10
Dakota County Court Administrator – Filing fee for Motion for Preliminary Settlement Approval	$100.00
Carlson Travel – Service Fee 10/20/10	$39.00
Total	**$318.54**

13. All services for which compensation is requested by Applicant were performed for and on behalf of the debtor in possession and not on behalf of any other creditor or person.

14. The amount requested by this Application constitutes reasonable compensation for actual and necessary services rendered by Applicant based on the nature, the extent and the value of such services and the cost of comparable services other than in a case under Title 11.

15. Applicant has not entered into any agreement, express or implied, with any other party in interest, including the debtor, any creditor, receiver, trustee, or any representative of any of the foregoing, or with any attorney for any party in interest in this case for the purpose of fixing fees or other compensation to be paid to such party in interest in this case for services

rendered or expenses incurred from the assets of the estate in excess of the compensation allowed by law.

16. If the Court deems it necessary to take oral testimony at the hearing on this Application, Megan L. Anderson, a shareholder of Applicant, will testify in support of the Application.

WHEREFORE, Applicant respectfully requests that the Court enter its Order:

A. Allowing compensation to Gray, Plant, Mooty, Mooty & Bennett, P.A., for professional fees in the amount of **$96,029.00,** and allowing reimbursement of expenses in the amount of **$318.54**, for a total of **$96,347.54**;

B. Authorizing the Trustee to pay Gray, Plant, Mooty, Mooty & Bennett, P.A., the fees and expenses allowed herein in excess of any amounts paid under the monthly payment procedure; and

C. Granting such other relief as the Court deems just and equitable.

Dated: January 27, 2011

GRAY, PLANT, MOOTY,
MOOTY & BENNETT, P.A.

/e/ Megan L. Anderson
Megan L. Anderson (MN # 248058)
500 IDS Center
80 South 8th Street
Minneapolis, Minnesota 55402
Telephone: (612) 632-3000
Facsimile: (612) 632-4444

SPECIAL COUNSEL FOR KLADEK, INC.,
AS DEBTOR IN POSSESSION

VERIFICATION

Megan L. Anderson, a shareholder of Gray, Plant, Mooty, Mooty, & Bennett, P.A., declares under penalty of perjury that the facts set forth in the foregoing FIRST INTERIM APPLICATION FOR ALLOWANCE AND PAYMENT OF PROFESSIONAL FEES OF GRAY, PLANT, MOOTY, MOOTY & BENNETT, P.A. AS SPECIAL COUNSEL FOR THE DEBTOR IN POSSESSION are true and correct according to the best of my knowledge, information and belief.

Dated: January 27, 2011

/e/_Megan L. Anderson_______________
Megan L. Anderson

GP:2910529 v3

UNITED STATES BANKRUPTCY COURT
DISTRICT OF MINNESOTA

In re:

Kladek, Inc.,

Debtor.

ORDER APPROVING EMPLOYMENT OF ATTORNEY

BKY 10-35032

At Minneapolis, Minnesota, September 30, 2010.

Based on the application filed on September 23, 2010, by the debtor in possession pursuant to 11 U.S.C. § 327(e);

IT IS ORDERED:

1. The employment by the debtor in possession of Gray, Plant, Mooty, Mooty & Bennett, P.A., as (a) special counsel representing the debtor with respect to claims asserted against the debtor in the *Dantzscher, et al. v. Kladek, Inc. d/b/a King of Diamonds Gentlemen's Club, Lawrence Kladek, and Susan Kladek* litigation pending in Dakota County Court, State of Minnesota, Court File No. 19HACV-09-5179; and (b) to represent the debtor in any proceedings in this court related to the Dantzscher lawsuit as may be requested by debtor's bankruptcy counsel is approved.

NOTICE OF ELECTRONIC ENTRY AND
FILING ORDER OR JUDGMENT
Filed and Docket Entry made on *09/30/2010*
Lori Vosejpka, Clerk, by LMH

tabbies® EXHIBIT A

2. Fee applications by Gray, Plant, Mooty, Mooty & Bennett, P.A., may be heard on 90-day intervals from commencement of the case.

3. The debtor is authorized to pay monthly invoices of Gray, Plant, Mooty, Mooty & Bennett, P.A., under the procedures in Instruction No. 8(c) of the Instructions for Filing a Chapter 11 Case, adopted by this court effective January 27, 2003.

/e/ Robert J. Kressel

ROBERT J. KRESSEL
UNITED STATES BANKRUPTCY JUDGE

GRAY
PLANT
MOOTY

GRAY, PLANT, MOOTY, MOOTY & BENNETT, P.A.
ATTORNEYS AT LAW

500 IDS CENTER
80 SOUTH EIGHTH STREET
MINNEAPOLIS, MN 55402

WWW.GPMLAW.COM

PHONE 612 632 3000
FAX 612 632 4444

FEDERAL ID 41-1411978

Kladek, Inc. d/b/a King of Diamonds
Attn: Susan Kladek
6600 River Road
Inver Grove Heights, MN 55076

October 15, 2010
Invoice # 552004

For Legal Services Rendered in Connection with:

134136
Corbin Dantzscher, Brittina Hedman, Jessica Van Vilet and Rebecca Carlin vs. Kladet, Inc. d/b/a King of Diamonds Gentlemen's Club, Lawrence Kladek and Susan Kladek

09/03/10	C. Nolan	0.20	54.00	Email to A. Prakash regarding scheduling call with R. Schlicht at North Country regarding MICROS POS data (.2).
09/08/10	M. Anderson	0.75	300.00	Emails with C. Nolan and A. Prakash regarding MICROS data (.25); prepare Kladek discovery responses and cover letter (.5).
09/10/10	M. Anderson	1.25	500.00	Complete and serve Kladek, Inc. objections to discovery requests on Nichols Kaster firm (.75); emails with client, C. Paiement, and K. Corey-Edstrom regarding action items (.25).
09/14/10	M. Anderson	1.00	0.00	Prepare special counsel application (1.0). (No Charge 1.0).
09/15/10	M. Anderson	0.20	80.00	Address MICROS POS data issues (.2).
09/17/10	M. Anderson	2.00	800.00	Prepare for conference call regarding MICROS data (1.0); telephone conference with North Country and A. Prakash regarding MICROS data (1.0).
09/17/10	C. Nolan	2.00	540.00	Prepare for call with Plaintiffs' counsel and North Country Business Products (1.5); review email correspondence regarding same (.5).
09/18/10	M. Anderson	0.50	0.00	Prepare special counsel application. (No Charge (.5))
09/20/10	M. Anderson	3.50	1,400.00	Telephone call from P. Ledray regarding subpoena (.2); conference with P. Ledray regarding same (.3); conference with P. Ledray and B. Bergley regarding same (.2); emails with C. Paiement regarding subpoena documents (.5); telephone conference with C. Paiement regarding same (.45); telephone conference with C. Paiement and S. Kladek regarding P. Ledray call (.5); prepare letter to P. Ledray regarding subpoena (.5); review emails on case action items (.3); review

EXHIBIT
tabbies
B

GRAY PLANT MOOTY

GRAY, PLANT, MOOTY, MOOTY & BENNETT, P.A.
ATTORNEYS AT LAW

500 IDS CENTER
80 SOUTH EIGHTH STREET
MINNEAPOLIS, MN 55402

WWW.GPMLAW.COM

PHONE 612 632 3000
FAX 612 632 4444

FEDERAL ID 41-1411978

				withdrawal notices and email to client from other counsel (.3); emails with K. Corey-Edstrom regarding scheduling (.25).
09/20/10	J. Pulkrabek	0.80	120.00	Prepare/import new documents from Julie Merrill into existing database
09/20/10	M. Anderson	0.50	0.00	Revise special counsel application (.5) (No Charge .5).
09/21/10	R. Hagglund	1.00	0.00	Review boxes of documents received from P. Ledray and update Inventory. (No Charge.)
09/21/10	J. Pulkrabek	0.90	135.00	Continue to prepare and load new records into database including linking images and OCR records for full text searching
09/21/10	M. Anderson	2.15	860.00	Review and respond to emails regarding subpoenas and action items (.2); emails with C. Paiement and K. Corey-Edstrom regarding depositions (.2); telephone conference with K. Corey-Edstrom regarding case scheduling and action items (.75); email Nichols Kaster firm regarding depositions and email same to K. Corey-Edstrom (.2); receive correspondence from Nichols Kaster firm regarding depositions (.2); exchange emails with Nichols Kaster firm regarding depositions (.4); email to clients regarding same (.2).
09/21/10	M. Anderson	0.50	0.00	Revise special counsel application and emails with K. Corey-Edstrom regarding same (.5) (no charge .5).
09/22/10	M. Anderson	6.55	2,292.50	Telephone conference with A. Prakash regarding case schedule, deposition dates and other action items (.75); email to clients regarding same (.25); draft discovery requests (.75); telephone conference with A. Prakash and North Country Business Product regarding MICROS POS data (1.0); prepare Stipulation to Amend Complaint (.3); prepared proposed Amended Case Schedule (.4); emails with K. Corey-Edstrom regarding action items (.2); exchange emails with A. Prakash and North Country regarding POS data (.2); email to client regarding same and action items (.2); prepare Kladek, Inc. discovery responses (2.5).
09/23/10	M. Anderson	4.50	1,575.00	Telephone conference with S. Klein, Judge Wermager's clerk, regarding available trial blocks (.2);

GRAY
PLANT
MOOTY

GRAY, PLANT, MOOTY, MOOTY & BENNETT, P.A.
ATTORNEYS AT LAW

500 IDS CENTER
80 SOUTH EIGHTH STREET
MINNEAPOLIS, MN 55402

WWW.GPMLAW.COM

PHONE 612 632 3000
FAX 612 632 4444

FEDERAL ID 41-1411978

				email to client regarding case schedule (.2); telephone conference with S. Kladek regarding discovery and case schedule (.3); prepare and send letter of A. Prakash regarding discovery and case schedule (.4); continue to prepare Kladek, Inc. discovery responses (3.0); review letter from A. Prakash regarding discovery and case schedule (.2); email to client regarding same (.2).
09/23/10	M. Anderson	0.20	0.00	Email to client regarding case schedule (.2); email with K. Corey-Edstrom regarding special counsel application and revise same (.2) (no charge .2).
09/24/10	M. Anderson	0.80	280.00	Preparation for and have telephone conference with client regarding case schedule (.4); email to A. Prakash regarding B. Bergley Subpoena (.2); review letter from A. Prakash regarding L. Kladek deposition (.2).
09/27/10	M. Anderson	0.80	280.00	Review materials from S. Kladek regarding lawsuit (.3); email to S. Kladek regarding same (.1); email to J. Langevin and C. Nolan regarding same (.1): review Plaintiffs' settlement demand letter (.2); emails with C. Paiement and K. Corey-Edstrom regarding same (.1).
09/28/10	M. Anderson	4.20	1,470.00	Review and analyze settlement demand for telephone conference with clients and C. Paiement and K. Corey-Edstrom (.5); prepare filing letter to Court regarding Stipulation to Amend Complaint (2.); prepare letter to Judge Wermager regarding pending motions (.3); telephone conference with client and C. Paiement regarding third set of discovery responses (2.0); telephone conference with S. Kladek, C. Paiement and K. Corey-Edstrom regarding settlement and action items (1.0); receive and review Plaintiffs' fourth set of discovery requests (.2).
09/29/10	C. Nolan	0.50	150.00	Review documents in Concordance to determine documents to be produced (.5).
09/29/10	M. Anderson	3.85	1,347.50	Email from client regarding documents for production (.1); email from C. Paiement regarding documents for production (.1); arrange for client documents to be loaded for review and production (.3); email from K.

GRAY
PLANT
MOOTY

GRAY, PLANT, MOOTY, MOOTY & BENNETT, P.A.
ATTORNEYS AT LAW

500 IDS CENTER
80 SOUTH EIGHTH STREET
MINNEAPOLIS, MN 55402

WWW.GPMLAW.COM

PHONE 612 632 3000
FAX 612 632 4444

FEDERAL ID 41-1411978

				Corey-Edstrom regarding possible settlement meeting (.1); further review of fourth set of document requests (.25); draft response to motion for expedited discovery (.5); prepare supporting affidavit for response to motion for expedited discovery (.5); revise Kladek Inc. discovery responses (1.5); email to client regarding B. Bergley subpoena (.2); email to client regarding discovery responses (.2); review email regarding attorney settlement meeting (.1).
09/29/10	J. McNeil	3.00	450.00	Index and import plaintiff's supplemental document production; OCR all records; load same records into data base for attorney review.
09/29/10	J. McNeil	0.50	75.00	Produce and provide copies of plaintiffs' supplemental document production.
09/29/10	J. McNeil	1.80	270.00	Import second supplemental production; prepare native files for data base index and review.
09/30/10	M. Anderson	1.20	480.00	Review email from Larkin Hoffman firm and attached Order appointing GPM as special counsel (.2); receive and respond to email about settlement meeting with Nichols Kaster firm (.2); email to client regarding response brief and upcoming depositions (2.); exchange emails with C. Paiement regarding same (.2); exchange emails with C. Paiement regarding articles of incorporation (.2); email to U. Ukabam regarding deposition preparation activities (.2).

Total Hours 45.15

Total For Services $13,459.00

Total This Statement $13,459.00

PAYABLE UPON RECEIPT

CURRENT CHARGES ONLY, UNPAID BALANCES NOT INCLUDED.
DISBURSEMENTS NOT YET RECORDED WILL BE INCLUDED IN FUTURE INVOICES.

GRAY
PLANT
MOOTY

GRAY, PLANT, MOOTY, MOOTY & BENNETT, P.A.
ATTORNEYS AT LAW

500 IDS CENTER
80 SOUTH EIGHTH STREET
MINNEAPOLIS, MN 55402
WWW.GPMLAW.COM

PHONE 612 632 3000
FAX 612 632 4444
FEDERAL ID 41-1411978

Invoice # 552004

Summary by Time Recorder

Time Recorder	Hours Billed	Billed Per Hour	Bill Amount
M. Anderson	11.05	400.00	4,420.00
M. Anderson	20.70	350.00	7,245.00
C. Nolan	0.50	300.00	150.00
C. Nolan	2.20	270.00	594.00
J. Pulkrabek	1.70	150.00	255.00
J. McNeil	5.30	150.00	795.00
R. Hagglund	1.00	0.00	0.00
M. Anderson	2.70	0.00	0.00
Total	45.15	298.10	13,459.00

Total This Statement $13,459.00

PAYABLE UPON RECEIPT

CURRENT CHARGES ONLY, UNPAID BALANCES NOT INCLUDED.
DISBURSEMENTS NOT YET RECORDED WILL BE INCLUDED IN FUTURE INVOICES.

GRAY PLANT MOOTY

GRAY, PLANT, MOOTY, MOOTY & BENNETT, P.A.
ATTORNEYS AT LAW

500 IDS CENTER
80 SOUTH EIGHTH STREET
MINNEAPOLIS, MN 55402

WWW.GPMLAW.COM

PHONE 612 632 3000
FAX 612 632 4444

FEDERAL ID 41-1411978

Kladek, Inc. d/b/a King of Diamonds
Attn: Susan Kladek
6600 River Road
Inver Grove Heights, MN 55076

November 22, 2010
Invoice # 554762

For Legal Services Rendered in Connection with:

134136
Corbin Dantzscher, Brittina Hedman, Jessica Van Vilet and Rebecca Carlin vs. Kladet, Inc. d/b/a King of Diamonds Gentlemen's Club, Lawrence Kladek and Susan Kladek

10/01/10	J. McNeil	2.10	Begin review and import of plaintiffs' third supplemental production of documents to the September 28, 2010 production (1.4); load images and data into Concordance (.3); prepare OCR of documents loaded for attorney review (.3); copy and provide additional disc's of the plaintiffs' third supplemental production of documents to M. Anderson (.1).
10/01/10	J. McNeil	0.80	Load email file and attachments and native excel documents into data base for attorney review (.8).
10/01/10	M. Anderson	5.20	Exchange emails with S. Kladek regarding discovery responses (.2); continue to prepare affidavit for response to motion to amend schedule (2.5); serve discovery responses (.3); prepare letter to client regarding subpoena documents (.2); prepare brief in response to motion to amend schedule (2.0).
10/01/10	J. Langevin	1.20	Review correspondence and subpoenas (.6); review emails from and to client; review discovery responses (.6).
10/04/10	M. Anderson	5.90	Continue preparing brief, affidavit and proposed order regarding case schedule (4.0); email draft response papers to client (.2); strategize on tasks to be completed to prepare clients for depositions (1.5); prepare discovery responses to Plaintiffs (1.0); exchange emails with K. Corey-Edstrom regarding settlement meeting (.2).
10/04/10	J. Langevin	0.90	Review emails and draft brief and documents produced by Bergley (.4); office conference with M. Anderson(.5).
10/04/10	U. Ukabam	0.70	Strategize on tasks to be performed to prepare for defendant's deposition (.5); review and analysis of background information on the claims and defenses at issue to help prepare client for the deposition (.2).
10/05/10	M. Anderson	5.00	Prepare Kladek's interrogatories and document requests to Plaintiffs (4.25); email draft request to client (.25); work on

GRAY
PLANT
MOOTY

GRAY, PLANT, MOOTY, MOOTY & BENNETT, P.A.
ATTORNEYS AT LAW

500 IDS CENTER
80 SOUTH EIGHTH STREET
MINNEAPOLIS, MN 55402

WWW.GPMLAW.COM

PHONE 612 632 3000
FAX 612 632 4444

FEDERAL ID 41-1411978

			supplemental document production to Plaintiffs (.5).
10/05/10	J. Langevin	1.50	Review and comment on discovery requests (.7); analyze discovery issues (.8).
10/05/10	U. Ukabam	4.00	Begin review and analysis of documents produced by Kladek and third parties to determine relevant ones for S. Kladek to review prior to her deposition (2.0); strategize on discovery requests (0.3); review, analyze and revise Kladek's Discovery Requests to the Plaintiffs (1.7).
10/06/10	M. Anderson	5.65	Analyze settlement strategies (.4); review and prepare documents for production in discovery (1.25); exchange emails with C. Paiement regarding discovery documents (.2); continue preparing discovery requests to Plaintiffs (.5); telephone conference with K. Corey-Edstrom to prepare for settlement meeting with Nichols Kaster firm (.8); review Harrell case for settlement meeting (.3); review case documents and prepare to defend S. Kladek deposition (2.0); review letter from A. Prakash to L. Kladek regarding deposition and email same to clients (.2).
10/06/10	J. Pulkrabek	0.50	Prepare documents for upcoming production per request of M. Anderson (.5).
10/06/10	J. Langevin	0.30	Review correspondence from A. Prakash to L. Kladek (.3).
10/07/10	M. Anderson	5.80	Email to K. Corey-Edstrom regarding response brief regarding state court case schedule (.2); exchange emails with C. Paiement regarding settlement meeting (.2); review and prepare documents for production in discovery (.75); revise Kladek, Inc. interrogatories to Plaintiffs (.3); email to client regarding same (.1); meeting with C. Paiement and K. Corey Edstrom regarding settlement and action items (1.0); meeting with Nichols Kaster lawyers, K. Corey Edstrom and C. Paiement regarding settlement (1.5); meeting with C. Paiement regarding settlement and litigation action items (.75); continue to prepare to defend corporate deposition (1.0).
10/07/10	J. Pulkrabek	2.00	Review new documents received from client and prepare for import into database for upcoming production (.8); prepare documents for production by M. Anderson on Friday (1.20).
10/07/10	J. Langevin	1.70	Analyze settlement issues and review new information and documents (1.7).
10/07/10	U. Ukabam	6.60	Strategize further on discovery requests (.1); continue to review

			and analyze documents produced by Kladek and third parties to prepare S. Kladek for the Kladek depositions (5.8); draft email memo to M. Anderson regarding same (.7).
10/08/10	M. Anderson	4.20	Email to S. Kladek regarding action items (.2); continue to review documents for production (1.5); telephone conference with S. Kladek regarding response brief, discovery issues, and upcoming depositions (.4); finalize and serve response brief and affidavit regarding case schedule (1.0); review letter from L. Kladek regarding service on his Power of Attorney (.2); finalize and serve discovery requests to Plaintiffs (.3); continue to prepare to defend corporate deposition (1.5).
10/08/10	J. Langevin	1.10	Review Wedeking v. Kladek (.3); analyze use in settlement negotiations (.5); read L. Kladek correspondence and review discovery requests and motion (.4).
10/10/10	M. Anderson	2.50	Review discovery documents and prepare to defend corporate deposition (2.5).
10/10/10	J. Langevin	2.25	Review documents and correspondence (1.0); review summary of bankruptcy issues and issues in current settlement negotiations (1.25).
10/11/10	M. Anderson	4.50	Meeting with client to conduct deposition preparation (4.0); telephone conference with Court regarding motion fee and arrange to pay same (.2); finalize and serve document production (.3).
10/11/10	J. Langevin	0.50	Read correspondence and analyze case strategies (.5)
10/12/10	J. McNeil	1.20	Load supplemental production of document into system for processing; Create data load file and process OCR (1.0); Import files to database for attorney review (.2).
10/12/10	M. Anderson	2.20	Telephone call from S. Smith regarding rescheduling depositions (.1); email from K. Corey-Edstrom regarding depositions and settlement (.1); telephone conference with S. Kladek regarding rescheduling depositions and case action items (.3); email to Nichols Kaster firm regarding rescheduling depositions (.1); email to J. Langevin and U. Ukabam regarding case action items (.1); analyze settlement strategies (.2); receive letter from Nichols Kaster firm and amended deposition notices (.1); email same to client (.1); email from C. Paiement regarding discovery issues (.2); review email and spreadsheet from C. Paiement

GRAY
PLANT
MOOTY

GRAY, PLANT, MOOTY, MOOTY & BENNETT, P.A.
ATTORNEYS AT LAW

500 IDS CENTER
80 SOUTH EIGHTH STREET
MINNEAPOLIS, MN 55402

WWW.GPMLAW.COM

PHONE 612 632 3000
FAX 612 632 4444

FEDERAL ID 41-1411978

			regarding settlement (.4); email C. Paiement and K. Corey-Edstrom regarding scheduling conference call (.2); email C. Paiement regarding settlement issues (.2); email to S. Kladek regarding additional deposition preparation (.2).
10/12/10	J. Langevin	1.25	Review A. Prakash letter, documents (.75); office conferences with M. Anderson regarding delay of deposition, supplemental document production (.35).
10/13/10	M. Anderson	1.60	Review email and spreadsheet from K. Corey-Edstrom regarding settlement (.3); telephone conference with K. Corey-Edstrom and C. Paiement regarding settlement (.4); research options for non-monetary settlement relief (.4); exchange emails with S. Kladek regarding document production issues (.2); email from K. Corey-Edstrom regarding settlement (.1); exchange email with K. Corey-Edstrom regarding settlement action items (.2).
10/13/10	J. Langevin	1.25	Review letter to Court Administrator and review email from K. Corey-Edstrom to S. Smith (.25); analyze proposed settlement amount and possible settlement terms (.8); review spreadsheets (.2).
10/14/10	M. Anderson	0.75	Analyze non-monetary settlement options in telephone conference with K. Corey-Edstrom (.75).
10/14/10	J. Langevin	1.10	Review status of negotiations (.9); review correspondence and amended spreadsheet (.2).
10/15/10	M. Anderson	1.00	Exchange emails with C. Paiement regarding discovery issue (.2); exchange emails with client and C. Paiement regarding case action items (.2); email from K. Corey-Edstrom regarding settlement (.2); response to same and review letter from A. Prakash regarding L. Kladek deposition (.2); email to J. Langevin regarding settlement issues (.2).
10/15/10	J. Langevin	1.25	Review and analyze issues related to non-settling defendant (1.25).
10/18/10	M. Anderson	1.00	Review emails from C. Paiement regarding settlement (.2); analyze settlement options (.4); review letter from Nichols Kaster firm regarding settlement (.4)
10/19/10	M. Anderson	1.60	Telephone conference with C. Paiement and K. Corey-Edstrom regarding settlement (1.2); email from K. Corey-Edstrom regarding same and depositions (.1); email to S. Kladek regarding depositions (.1); conference with U. Ukabam

GRAY PLANT MOOTY

GRAY, PLANT, MOOTY, MOOTY & BENNETT, P.A.
ATTORNEYS AT LAW

500 IDS CENTER
80 SOUTH EIGHTH STREET
MINNEAPOLIS, MN 55402
WWW.GPMLAW.COM

PHONE 612 632 3000
FAX 612 632 4444
FEDERAL ID 41-1411978

			regarding settlement issues (.2).
10/19/10	J. Langevin	0.90	Review demand letter and outline of meeting (.5); analyze settlement issues (.4).
10/20/10	M. Anderson	2.00	Review letter from A. Prakash to L. Kladek regarding deposition (.2); email to client regarding same (.1); analysis regarding settlement issues (.4); review S. Kladek's comments on proposed settlement (.3); email to K. Corey-Edstrom and C. Paiement regarding same (.4); prepare for settlement meeting (.6).
10/20/10	J. Langevin	0.20	Review correspondence from plaintiffs' counsel (.2).
10/21/10	M. Anderson	6.15	Analyze settlement options to prepare for settlement meeting (.8); review documents related to proposed bankruptcy agreement (.4); conference with K. Corey-Edstrom regarding action items (.3); conference with K. Corey-Edstrom and S. Kladek regarding settlement (1.0); conference with Nichols Kaster lawyers, K. Corey-Edstrom, and C. Paiement regarding settlement (3.25); review summary of proposed legislation; email C. Paiement regarding same and settlement issues (.4).
10/21/10	U. Ukabam	1.30	Review Plaintiffs' settlement letter of 10/18/10 in preparation for strategizing for settlement discussions (.5); strategize on Plaintiffs' settlement proposals (.8).
10/21/10	J. Langevin	0.50	Review and strategize on settlement (.5).
10/22/10	M. Anderson	0.75	Exchange emails with C. Paiement regarding settlement issues and action items (.25); exchange emails with K. Corey-Edstrom and C. Paiement regarding scheduling settlement meeting (.2); email to C. Paiement and K. Corey-Edstrom regarding outstanding settlement issues (.3).
10/22/10	J. Langevin	0.75	Review correspondence and analyze proposed settlement terms (.75).
10/25/10	M. Anderson	2.70	Email to S. Smith and M. Drake regarding settlement meeting (.25); telephone conference with C. Paiement and S. Kladek regarding settlement (1.75); review email from M. Drake regarding settlement (.3); email to K. Corey-Edstrom regarding settlement issues (.1); telephone conference with K. Corey-Edstrom regarding settlement issues (.3).
10/25/10	J. Langevin	1.25	Review and analyze memo from M. Drake regarding outstanding issues and conference with M. Anderson regarding same (.5); review C. Paiement comments (.75).

GRAY
PLANT
MOOTY

GRAY, PLANT, MOOTY, MOOTY & BENNETT, P.A.
ATTORNEYS AT LAW

500 IDS CENTER
80 SOUTH EIGHTH STREET
MINNEAPOLIS, MN 55402

WWW.GPMLAW.COM

PHONE 612 632 3000
FAX 612 632 4444

FEDERAL ID 41-1411978

10/26/10	C. Nolan	2.10	Office conference with M. Anderson to discuss outstanding discovery issues and indemnification issues (.5); begin indemnification research (1.6).
10/26/10	M. Anderson	2.60	Conference with C. Nolan regarding discovery action items and legal research related to settlement terms (1.0); analyze settlement options (.5) email to C. Paiement and K. Corey-Edstrom regarding same (.5) review email from K. Corey-Edstrom regarding new counsel for Kladek (.2); telephone conference with C. Paiement (.4)
10/26/10	J. Langevin	0.20	Review emails describing settlement status(.2).
10/27/10	M. Anderson	3.10	Conference with J. Langevin regarding settlement options and strategies (.7); conference with K. Corey-Edstrom regarding same (.5); conference with Nichols Kaster lawyers and K. Corey-Edstrom regarding settlement (1.5); telephone conference with C. Paiement regarding new developments and settlement issues (.4).
10/27/10	J. Langevin	2.10	Meeting with M. Anderson regarding status, strategy, and settlement issues (1.6); review correspondence (.5).
10/27/10	C. Nolan	2.40	Continue to research indemnification issues (1.3); office conference with M. Anderson regarding same (.4); continue to review documents in Concordance to supplement discovery responses (.7).
10/28/10	C. Nolan	1.20	Continue to review documents in Concordance to supplement discovery responses (.7); office conference with M. Anderson regarding settlement and discovery items (.5).
10/28/10	M. Anderson	1.00	Review New York opinion involving wage and hour claims (.25); receive and review Court Order setting amended schedule and email to client regarding same (.25); meeting with C. Nolan regarding settlement and discovery issues (.5).
10/28/10	J. Langevin	0.80	Read documents from New York case regarding entertainer collective action (.4); review Order, Stipulation regarding discovery and trial schedule (.4).
10/29/10	M. Anderson	0.80	Exchange emails with A. Prakash regarding Amended Complaint and discovery (.2); exchange emails with S. Kladek regarding settlement (.2); review production of documents by Berkley Risk (.4).
10/29/10	J. Pulkrabek	1.50	Prepare/import new documents received from other side (.5);

GRAY
PLANT
MOOTY

GRAY, PLANT, MOOTY, MOOTY & BENNETT, P.A.
ATTORNEYS AT LAW

500 IDS CENTER
80 SOUTH EIGHTH STREET
MINNEAPOLIS, MN 55402

WWW.GPMLAW.COM

PHONE 612 632 3000
FAX 612 632 4444

FEDERAL ID 41-1411978

			prepare data into document database including linking images and processing OCR for full text searching (1.0).
10/29/10	J. Langevin	0.75	Review production of documents form BRAC regarding King of Diamonds' workers' compensation insurance (.75).

Total Hours 114.15

Total For Services $38,047.50

Other Charges

Delivery Charges	22.44
Dakota County Court Administrator - Fax filing fee	25.00
Dakota County Court Administrator - Motion Response Filing Fee	100.00
D. Brian's - 10/21/10 Catering for Megan Anderson	32.10

Total Other Charges $179.54

Total This Statement $38,227.04

GRAY
PLANT
MOOTY

GRAY, PLANT, MOOTY, MOOTY & BENNETT, P.A.
ATTORNEYS AT LAW

500 IDS CENTER
80 SOUTH EIGHTH STREET
MINNEAPOLIS, MN 55402

WWW.GPMLAW.COM

PHONE 612 632 3000
FAX 612 632 4444

FEDERAL ID 41-1411978

Kladek, Inc. d/b/a King of Diamonds
Attn: Susan Kladek
6600 River Road
Inver Grove Heights, MN 55076

December 3, 2010
Invoice # 554961

For Legal Services Rendered in Connection with:

134136
Corbin Dantzscher, Brittina Hedman, Jessica Van Vilet and Rebecca Carlin vs. Kladet, Inc. d/b/a King of Diamonds Gentlemen's Club, Lawrence Kladek and Susan Kladek

11/01/10	M. Anderson	0.25	Exchange emails with C. Paiement regarding settlement action items (.25).
11/01/10	J. Langevin	1.25	Review correspondence (.5); brief review of documents produced pursuant to subpoena (.5); emails from C. Paiement (.25).
11/02/10	M. Anderson	0.40	Review email from S. Kladek regarding settlement (.1); email to K. Corey-Edstrom regarding settlement (.2); review email from M. Drake regarding settlement (.1).
11/02/10	J. Langevin	0.50	Review email correspondence and status of proposed settlement terms (.5).
11/03/10	M. Anderson	1.85	Review email from A. Prakash regarding settlement (.2); review emails between K. Corey-Edstrom and M. Drake regarding same (.2); receive and review email from K. Corey-Edstrom regarding proposed settlement term (.2); analyze proposed settlement term sheet (.75); prepare email to S. Kladek and K. Corey-Edstrom regarding proposed settlement terms (.5).
11/03/10	J. Langevin	2.90	Analyze proposed settlement terms (1.0); review draft of settlement terms (1.3); emails from and to M. Anderson regarding same (.6).
11/04/10	M. Anderson	2.20	Exchange emails with S. Kladek regarding action items (.2); exchange emails with A. Prakash regarding L. Kladek deposition date (.2); exchange emails with S. Kladek regarding same (.2); telephone call from S. Kladek regarding action items (.1); telephone conference with S. Kladek, K. Corey-Edstrom and C. Paiement regarding new developments and settlement terms (1.0); begin to revise proposed settlement term sheet (.5).
11/04/10	J. Langevin	1.25	Emails from and to M. Anderson regarding L. Kladek deposition

GRAY
PLANT
MOOTY

GRAY, PLANT, MOOTY, MOOTY & BENNETT, P.A.
ATTORNEYS AT LAW

500 IDS CENTER
80 SOUTH EIGHTH STREET
MINNEAPOLIS, MN 55402

WWW.GPMLAW.COM

PHONE 612 632 3000
FAX 612 632 4444

FEDERAL ID 41-1411978

			(.5); office conference with M. Anderson regarding settlement negotiation (.75).
11/05/10	C. Nolan	1.10	Review voice-mail from M. Anderson regarding documents relating to additional proposed Plaintiff (.1); locate relevant documents relating to same in Concordance litigation database (1.0).
11/05/10	M. Anderson	4.35	Conference with J. Langevin regarding settlement terms (.25); review emails between K. Corey-Edstrom and S. Smith regarding proposed settlement; (.2); revise proposed settlement term sheet (2.25); email same to client and other Kladek, Inc. counsel (.2); telephone conference with S. Kladek regarding new plaintiff records (.3); telephone conference with A. Prakash regarding settlement and new plaintiff records (.25); conference with C. Nolan regarding locating new plaintiff records (.3); email to client regarding new plaintiff records (.1); review letter from Mackall Crounse firm regarding L. Kladek representation and deposition (.2); email to client regarding same (.1); exchange emails with K. Corey-Edstrom regarding settlement terms (.2).
11/05/10	J. Langevin	2.10	Review several revisions of term sheet and related emails (1.6); review correspondence from Mackall Crouse (.5).
11/08/10	M. Anderson	4.95	Email to C. Nolan regarding settlement action items (.25); exchange emails with C. Paiement, K. Corey-Edstrom and client regarding settlement (.4); draft settlement agreement language (.75); exchange emails with S. Kladek regarding new plaintiffs records (.1); review Nichols Kaster letter to J. Kremer regarding L. Kladek deposition (.2); telephone call from J. Kremer regarding litigation status (.1); email to client regarding J. Kremer contact and action items (.2); review email from C. Paiement regarding same (.1); revise term sheet (.3); email revised term sheet to client and C. Paiement and K. Corey-Edstrom (.1); telephone conference with S. Kladek regarding settlement term sheet (.2); email term sheet to Nichols Kaster firm (.2); telephone conference with Nichols Kaster lawyers and K. Corey-Edstrom regarding settlement (.8); telephone conference with S. Kladek regarding settlement terms (.25); review and prepare comments on draft reorganization plan (.5);

GRAY
PLANT
MOOTY

GRAY, PLANT, MOOTY, MOOTY & BENNETT, P.A.
ATTORNEYS AT LAW

500 IDS CENTER
80 SOUTH EIGHTH STREET
MINNEAPOLIS, MN 55402

WWW.GPMLAW.COM

PHONE 612 632 3000
FAX 612 632 4444

FEDERAL ID 41-1411978

			email to K. Corey-Edstrom regarding reorganization plan (.1); review revised proposed settlement agreement from Nichols Kaster firm (.3); email to client regarding same (.1).
11/08/10	U. Ukabam	0.00	Exchange email with C. Nolan regarding settlement options (.1) (No Charge).
11/08/10	C. Nolan	1.20	Analyze scope of release language in class settlement agreement (.2); review records to locate records of named Plaintiffs (.8); email to M. Anderson regarding same (.2).
11/09/10	M. Anderson	5.05	Conference with C. Nolan regarding analysis of scope of release issues (.25); analyze scope of release (.5); telephone conference with Nichols Kaster firm regarding document production and settlement issues (.5); email to client regarding same (.25); telephone conference with C. Paiement regarding same (.25); revise settlement agreement (2.5); review emails from C. Paiement regarding settlement agreement (.3); review and revise reorganization plan (.3); exchange emails with K. Corey-Edstrom regarding same (.2).
11/09/10	U. Ukabam	0.70	Strategize on the substance of the settlement agreement and the scope of releases (.7).
11/09/10	C. Nolan	0.60	Analyze release provision in settlement agreements (.4); conference with M. Anderson regarding same (.2).
11/10/10	C. Nolan	0.10	Respond to emails from M. Anderson regarding supplemental discovery (.1).
11/10/10	M. Anderson	6.95	Exchange emails with C. Nolan regarding document production (.3); meeting with C. Paiement regarding settlement terms (.3); telephone conference with C. Paiement and S. Kladek regarding same (.5); exchange emails with K. Corey-Edstrom regarding reorganization plan (.25); revise settlement agreement based on client call (.5); conference with J. Langevin regarding call with J. Kremer and action items (.3); emails with J Kremer regarding deposition of L. Kladek (.2); email to client regarding same (.1); email to client regarding release issue (.2); telephone conference with J. Kremer regarding procedural history of case (.3); email to client regarding same (.1); telephone conference with Nichols Kaster firm regarding settlement (.4); email to client regarding same (.3); revise settlement agreement (1.5); review and revise proposed notices of settlement (1.5); telephone call from J.

GRAY
PLANT
MOOTY

GRAY, PLANT, MOOTY, MOOTY & BENNETT, P.A.
ATTORNEYS AT LAW

500 IDS CENTER
80 SOUTH EIGHTH STREET
MINNEAPOLIS, MN 55402

PHONE 612 632 3000
FAX 612 632 4444

WWW.GPMLAW.COM

FEDERAL ID 41-1411978

			Kremer regarding obtaining copies of documents (.1); email C. Nolan regarding same (.1).
11/11/10	C. Nolan	2.30	Email to M. Anderson regarding production of North Country Business Products data (.3); review additional documents in litigation database to be included in supplemental production (2.0); locate pleadings and production disks to be copied for L. Kladek's new counsel (.3) (No Charge).
11/11/10	M. Anderson	6.80	Exchange telephone calls with S. Kladek regarding document production issues (.2); email to client regarding J. Kremer document request and deposition of L. Kladek (.2); conference with C. Nolan regarding document production issues (.25); email to Nichols Kaster firm regarding document production issue (.2); telephone conference with S. Kladek regarding 2006 wage records and other action items (.4); exchange emails with C. Paiement regarding settlement and 2006 record production (.2); analyze release issue for settlement and legal research regarding same (1.5); exchange emails (multiple) with K. Corey-Edstrom and C. Paiement and client regarding same (.5); work on producing supplemental entertainer, floor host, and waitress data (.75); telephone conference with S. Kladek regarding case action items (.3); continue to revise notice of settlement (1.0); telephone conference with C. Paiement, S. Kladek and K. Corey-Edstrom regarding settlement (.8); email to Nichols Kaster firm regarding settlement agreement and proposed claims process (.3); email to NIchols Kaster firm regarding proposed notice of settlement form (.2).
11/11/10	J. Pulkrabek	2.10	Prepare/import excel sheet from client for import into document database (.1); prepare for production of documents tagged in database for Production to other side includes identify documents endorsing of the images and import into database for final review by attorney (1.5); prepare production cd's sets to other side for mailing includes our documents and the North Country native documents (.5).
11/11/10	J. Langevin	3.50	Read and analyze draft terms (1.0); review requests and pleadings from L. Kladek counsel (1.75); telephone conferences with M. Anderson (.75).
11/12/10	C. Nolan	0.40	Review additional payroll records to be produced in

GRAY
PLANT
MOOTY

GRAY, PLANT, MOOTY, MOOTY & BENNETT, P.A.
ATTORNEYS AT LAW

500 IDS CENTER
80 SOUTH EIGHTH STREET
MINNEAPOLIS, MN 55402

WWW.GPMLAW.COM

PHONE 612 632 3000
FAX 612 632 4444

FEDERAL ID 41-1411978

			supplemental discovery production (.1); email to M. Anderson regarding same (.1); review and prepare entertainer contact lists for production (.2).
11/12/10	M. Anderson	4.50	Prepare supplemental documents for production (.3); email client regarding supplemental production issues (.2); exchange emails C. Nolan regarding document production issues (.2); exchange emails with client regarding document production (.2); revise proof of claim form (1.0); telephone conference with A. Prakash and M. Drake, Nichols Kaster firm, regarding settlement issues (1.0); email to client regarding telephone call with Nichols Kaster firm and action items (.3); review L. Kladek motion to lift stay (.4); exchange emails with K. Corey-Edstrom regarding L. Kladek motion (.2); telephone conference with S. Kladek regarding L. Kladek motion and case action items (.3); email to K. Corey-Edstrom and C. Paiement regarding S. Kladek telephone call and action items (.1); telephone call from J. Kremer regarding discovery document production (.1); exchange emails with C. Nolan regarding J. Kremer telephone call about production (.2).
11/12/10	J. Pulkrabek	0.50	Prepare/import new documents into production database from client for upcoming production includes linking images and processing ocr for full text searching (.5).
11/12/10	J. Langevin	4.20	Continue analysis and review of settlement terms and issues (1.0); propose approaches to various issues (1.2); review correspondence and provide comment (1.0).
11/13/10	J. Langevin	1.25	Continue review of documents (1.25).
11/14/10	M. Anderson	0.20	Email proposed settlement agreement to S. Kladek, C. Paiement and K. Corey-Edstrom (.2).
11/15/10	C. Nolan	1.50	Email to J. Pulkrabek regarding documents to be loaded into Concordance litigation database (.2); review supplemental documents to be produced in response to discovery requests (1.); prepare service letter regarding same (.3).
11/15/10	M. Anderson	3.25	Review Nichols Kaster firm proposed revisions to settlement agreement (.8); review Nichols Kaster letter to J. Kremer and attached L. Kladek deposition notice (.2); email to client and other Kladek, Inc. counsel regarding revisions to settlement agreement and scheduling call (.3); telephone call to S. Kladek

GRAY, PLANT, MOOTY, MOOTY & BENNETT, P.A.
ATTORNEYS AT LAW

500 IDS CENTER
80 SOUTH EIGHTH STREET
MINNEAPOLIS, MN 55402

WWW.GPMLAW.COM

PHONE 612 632 3000
FAX 612 632 4444

FEDERAL ID 41-1411978

			regarding settlement call (.1); exchange emails with C. Paiement regarding settlement (.2); telephone conference with C. Paiement and K. Corey-Edstrom regarding settlement (.5); telephone call to Nichols Kaster lawyers regarding scheduling call to discuss settlement (.1); telephone conference with Nichols Kaster firm and K. Corey-Edstrom regarding settlement (.75); email to client regarding same (.3).
11/15/10	J. Pulkrabek	3.80	Prepare/import new documents (word & excel and faxes from ADP) from client for import into document database and prepare for production (1.5); prepare for production of documents tagged in database for production to other side includes identify the additional new documents endorsing of the images and import into database for final review by attorney (1.7); prepare production CD's sets to other side for mailing (.6).
11/15/10	J. Langevin	0.50	Read correspondence from opposing counsel and bankruptcy counsel (.5).
11/16/10	C. Nolan	0.00	Email to J. Kremer regarding response to Plaintiff's third set of discovery requests (.1) (No Charge).
11/16/10	M. Anderson	4.45	Email to client regarding Nichols Kaster letter; (.1); telephone conference with J. Kremer regarding discovery documents (.2); conference with C. Nolan regarding providing discovery responses to J. Kremer (.1); review email from A. Prakash regarding settlement (.2); email to client regarding same (.1); review and revise proposed settlement agreement from Nichols Kaster firm (.75); exchange emails with C. Paiement regarding revised agreement (.2); exchange emails with K. Corey-Edstrom regarding revised agreement (.2); email revised agreement to S. Kladek (.2); email to A. Prakash regarding C. Dantzscher payroll (.2); telephone conference with S. Kladek regarding settlement agreement (.2); emails with A. Prakash regarding settlement (.3); review emails and attached revised agreement from A. Prakash (.3); review emails between K. Corey-Edstrom and A. Prakash regarding bankruptcy plans (.2); review email from K. Corey-Edstrom regarding bankruptcy plan (.1); revise bankruptcy plan and email revisions to A. Prakash and K. Corey-Edstrom (.3); telephone conference with A. Prakash regarding bankruptcy plan and settlement logistics (.3); further revise bankruptcy plan and

GRAY
PLANT
MOOTY

GRAY, PLANT, MOOTY, MOOTY & BENNETT, P.A.
ATTORNEYS AT LAW

500 IDS CENTER
80 SOUTH EIGHTH STREET
MINNEAPOLIS, MN 55402

WWW.GPMLAW.COM

PHONE 612 632 3000
FAX 612 632 4444

FEDERAL ID 41-1411978

			email to K. Corey-Edstrom for approval (.3); exchange emails with A. Prakash regarding counterparts provision (.2).
11/17/10	M. Anderson	3.30	Revise settlement agreement and plan (.5); email same to Nichols Kaster firm (.2); exchange emails with K. Corey-Edstrom regarding same (.1); prepare document production (.5); revise proof of claim form for entertainers and email to client (.5); preliminary review of U.S. trustee motion to appoint trustee (.5); exchange emails with K. Corey-Edstrom regarding same (.2); conference with S. Kladek regarding same and settlement agreement (.3); conference with C. Paiement regarding same and settlement action items (.3); exchange emails with A. Prakash regarding settlement (.2).
11/17/10	J. Langevin	2.25	Review M. Drake correspondence and revised settlement agreement (1.25); analyze release language and settlement issues (1.0).
11/18/10	M. Anderson	3.00	Meeting with S. Kladek regarding settlement and case action items (.5); email to K. Corey-Edstrom regarding bankruptcy plan (.1); prepare letter to K. Corey-Edstrom regarding same (.2): email to K. Corey-Edstrom and C. Paiement regarding settlement (.1); email to Nichols Kaster firm regarding same (.1); complete review of U.S. trustee's bankruptcy motion (.5); exchange emails with K. Corey-Edstrom regarding motion (.2); email to K. Corey-Edstrom regarding defense/indemnification issue (.2); telephone conference with K.Corey-Edstrom regarding bankruptcy motion and settlement action items (.4); email to A. Prakash regarding settlement approval hearing dates (.1); telephone conference with A. Prakash regarding action items (.2); email to client regarding same (.2); review emails regarding extension of trustee motion (.2):
11/18/10	J. Langevin	1.50	Review and approve bankruptcy plan edits and current draft of settlement documents (1.5).
11/19/10	M. Anderson	0.90	Exchange emails with A. Prakash regarding entertainer claim form and action items (.25); telephone call from A. Prakash regarding court hearing dates (.25); email from A. Prakash regarding same (.1): email to A. Prakash regarding court hearing date (.2); exchange emails with K. Corey-Edstrom regarding same (.1).

GRAY
PLANT
MOOTY

GRAY, PLANT, MOOTY, MOOTY & BENNETT, P.A.
ATTORNEYS AT LAW

500 IDS CENTER
80 SOUTH EIGHTH STREET
MINNEAPOLIS, MN 55402

WWW.GPMLAW.COM

PHONE 612 632 3000
FAX 612 632 4444

FEDERAL ID 41-1411978

11/19/10	J. Langevin	2.80	Review and revise documents (2.8).
11/22/10	M. Anderson	3.80	Email from A. Prakash regarding hearing date (.1); email to client regarding same (.2); telephone conference with J. Kremer regarding settlement and deposition (.3): email to client regarding same (.1); review Nichols Kaster motion to extend deadlines for filing proof of claim (.3); review L. Kladek response to U.S. trustee motion (.3); review email from A. Prakash regarding preliminary approval (.2); review and revise notice of motion regarding preliminary approval (.3); review and revise brief in support of preliminary approval (2.0).
11/22/10	J. Langevin	3.50	Review notice of hearing (.25); review edits and revisions and analyze joint motion issues (2.5); review correspondence (.25); telephone conference with C. Paiement (.25); emails from and to C. Paiement (.25).
11/23/10	M. Anderson	7.40	Attend L. Kladek deposition (6.0): conference with Nichols Kaster firm regarding joint notice of motion and stipulation to stay litigation (.3); email to A. Prakash regarding joint notice of motion (.1); exchange emails with K. Corey-Edstrom regarding bankruptcy court filing (.3); email to client regarding L. Kladek deposition (.3); review and revise proposed stipulation to stay action (.3); email to S. Kladek regarding same (.1).
11/23/10	J. Langevin	0.80	Partial review of developments in deposition, settlement hearings (.8).
11/23/10	C. Nolan	0.10	Email to M. Anderson regarding scheduling order requested by J. Kremer (.1).
11/24/10	C. Nolan	2.30	Review draft brief in support of motion to approve settlement (.3); research preservation of defenses to class certification (1.5); office conference with M. Anderson regarding same (.5).
11/24/10	M. Anderson	3.20	Email from client regarding stay stipulation (.1); email to A. Prakash regarding stay stipulation (.1); conference with C. Nolan regarding legal research for motion seeking preliminary settlement approval (.25); review order extending proof of claim deadline (.1); conference with C. Nolan regarding legal research results regarding settlement class certification (.4); review Kladek response to L. Kladek motion to lift stay (.5); email to K. Corey-Edstrom regarding same (.25); continue to revise brief in support of motion for preliminary approval of settlement (1.5).

GRAY
PLANT
MOOTY

GRAY, PLANT, MOOTY, MOOTY & BENNETT, P.A.
ATTORNEYS AT LAW

500 IDS CENTER
80 SOUTH EIGHTH STREET
MINNEAPOLIS, MN 55402

WWW.GPMLAW.COM

PHONE 612 632 3000
FAX 612 632 4444

FEDERAL ID 41-1411978

11/24/10	J. Langevin	1.00	Analyze and advise regarding L. Kladek claims and position (.5); review letter to Court and Chapter 11 objection (.25); review stipulation for stay (.25).
11/29/10	C. Nolan	0.50	Review inventory of documents received from P. Ledray (.25); review corporate documents to try to locate original stock certificates (.25).
11/29/10	M. Anderson	4.85	Review letter from P. Ledray regarding stock certificate (.1); email client regarding same (.1); revise brief in support of motion for preliminary settlement approval (1.5); revise notices of settlement and claim forms (.5); prepare affidavit of S. Kladek in support of joint motion for preliminary settlement approval (2.0); exchange mails with K. Corey-Edstrom regarding joint motion papers (.4); exchange emails with C. Paiement regarding joint motion papers (.25).
11/29/10	J. Langevin	2.50	Review letter from P. LeDray regarding stock certificates (.1); review briefs, edits to briefs in support of preliminary approval (1.4); review notices and forms (1.0).
11/30/10	R. Hagglund	0.00	At request of P. Ledray, search documents to determine if they contain original stock certificates (.5) (No charge).
11/30/10	M. Anderson	1.10	Exchange emails with C. Nolan regarding Kladek stock certificate (.2); email client regarding same (.1); review email from A. Prakash regarding stipulation (.1); sign stipulation and prepare letter to A. Prakash regarding same (.2); exchange emails with C. Paiement regarding scheduling meeting on entertainer term of settlement (.2); email to S. Kladek regarding joint approval motion (.2); review email from bankruptcy court regarding L. Kladek motion (.1).
11/30/10	C. Nolan	0.50	Conference with R. Hagglund regarding review of documents in boxes received from P. Ledray (.2); draft letter to P. Ledray regarding stock certificates (.3).
11/30/10	J. Langevin	1.25	Review documents and correspondence (1.25).

Total Hours 123.50

Other Charges

GRAY
PLANT
MOOTY

GRAY, PLANT, MOOTY, MOOTY & BENNETT, P.A.
ATTORNEYS AT LAW

500 IDS CENTER
80 SOUTH EIGHTH STREET
MINNEAPOLIS, MN 55402

WWW.GPMLAW.COM

PHONE 612 632 3000
FAX 612 632 4444

FEDERAL ID 41-1411978

Dakota County Court Administrator - Filing fee for Motion for Preliminary Settlement Approval	100.00
Carlson Travel - Megan Anderson - Service fee 10/20/10	39.00

Total Services	$42,182.50
Less Discount	(227.50)
Net Services	$41,955.00
Total Other Charges	139.00
Total Due This Matter	$42,094.00

PAYABLE UPON RECEIPT

CURRENT CHARGES ONLY, UNPAID BALANCES NOT INCLUDED.
DISBURSEMENTS NOT YET RECORDED WILL BE INCLUDED IN FUTURE INVOICES.

GRAY
PLANT
MOOTY

GRAY, PLANT, MOOTY, MOOTY & BENNETT, P.A.
ATTORNEYS AT LAW

500 IDS CENTER
80 SOUTH EIGHTH STREET
MINNEAPOLIS, MN 55402

WWW.GPMLAW.COM

PHONE 612 632 3000
FAX 612 632 4444

FEDERAL ID 41-1411978

Kladek, Inc. d/b/a King of Diamonds
c/o Nauni Jo Manty
Operating Trustee, Kladek, Inc.
510 First Ave. N., Suite 305
Minneapolis, MN 55403

January 14, 2011
Invoice # 558862

For Legal Services Rendered in Connection with:

134136
Corbin Dantzscher, Brittina Hedman, Jessica Van Vilet and Rebecca Carlin vs. Kladet, Inc. d/b/a King of Diamonds Gentlemen's Club, Lawrence Kladek and Susan Kladek

12/01/10	M. Anderson	1.50	Exchange emails with A. Prakash regarding settlement issues (.2); telephone conference with S. Kladek regarding joint motion and action items (.3); review discovery requests from L. Kladek (.3); email to client regarding same (.1); emails to Nichols Kaster firm regarding draft papers for joint motion for preliminary settlement approval (.4); exchange emails with K. Corey-Edstrom regarding legal citation for brief (.2).
12/01/10	J. Langevin	1.20	Review L. Kladek discovery requests and settlement-related documents including notices (1.2).
12/02/10	M. Anderson	1.45	Review email from A. Prakash regarding settlement motion and bankruptcy court approval notices (.2); review A. Prakash's revisions to settlement motion papers (.5); further revise settlement motion papers (.75).
12/02/10	J. Langevin	0.40	Review claim forms, draft of S. Kladek affidavit, and settlement correspondence (.4).
12/03/10	M. Anderson	2.05	Exchange email with S. Kladek regarding settlement motion papers (.2); emails to A. PraKash regarding draft settlement papers (.2); review bankruptcy court filings (1.25); exchange email to A. Prakash regarding settlement motion papers (.2); exchange emails with S. Kladek regarding upcoming bankruptcy hearing (.2).
12/03/10	J. Langevin	0.80	Office conferences with M. Anderson and review L. Kladek response to motion; review revised brief (.8).
12/06/10	M. Anderson	1.20	Review settlement approval motion papers (.5); arrange for S. Kladek signature on affidavit (.25); exchange emails with A. Prakash regarding filing of motion (.25); review withdrawal of motion notice in bankruptcy court (.2).
12/07/10	M. Anderson	0.75	Arrange for filing of joint motion (.4); telephone conference

GRAY, PLANT, MOOTY, MOOTY & BENNETT, P.A.
ATTORNEYS AT LAW

500 IDS CENTER
80 SOUTH EIGHTH STREET
MINNEAPOLIS, MN 55402

WWW.GPMLAW.COM

PHONE 612 632 3000
FAX 612 632 4444

FEDERAL ID 41-1411978

			with C. Paiement regarding action items (.25); review bankruptcy filing (.1).
12/07/10	J. Langevin	0.10	Review correspondence from opposing counsel (.1).

Total Hours	9.45	
Total For Services		$3,307.50
Total This Statement		$3,307.50

PAYABLE UPON RECEIPT

CURRENT CHARGES ONLY, UNPAID BALANCES NOT INCLUDED.
DISBURSEMENTS NOT YET RECORDED WILL BE INCLUDED IN FUTURE INVOICES.

GRAY
PLANT
MOOTY

GRAY, PLANT, MOOTY, MOOTY & BENNETT, P.A.
ATTORNEYS AT LAW

500 IDS CENTER
80 SOUTH EIGHTH STREET
MINNEAPOLIS, MN 55402

WWW.GPMLAW.COM

PHONE 612 632 3000
FAX 612 632 4444

FEDERAL ID 41-1411978

January 14, 2011

Invoice # 558862

Summary by Time Recorder

Time Recorder	Hours Billed	Billed Per Hour	Bill Amount
J. Langevin	2.50	350.00	875.00
M. Anderson	6.95	350.00	2,432.50
Total	9.45	350.00	3,307.50

Total This Statement $3,307.50

PAYABLE UPON RECEIPT

CURRENT CHARGES ONLY, UNPAID BALANCES NOT INCLUDED.
DISBURSEMENTS NOT YET RECORDED WILL BE INCLUDED IN FUTURE INVOICES.

UNITED STATES BANKRUPTCY COURT
DISTRICT OF MINNESOTA

In re: Kladek, Inc., d/b/a King of Diamonds Debtor.	Case No. 10-35032 Chapter 11

CERTIFICATE OF SERVICE

I hereby certify that on January 27, 2011, I caused the following:

1. Notice of Hearing and First Interim Application for Allowance and Payment of Professional Fees of Gray, Plant, Mooty, Mooty & Bennett, P.A. as Special Counsel for the Debtor in Possession; and

2. Order Allowing and Authorizing the Payment of Professional Fees of Gray, Plant, Mooty, Mooty & Bennett, P.A., as Special Counsel for the Debtor in Possession.

to be filed electronically with the Clerk of Court through ECF, and that ECF will send an e-notice of the electronic filing to the following:

Kenneth Corey-Edstrom	kcoreyedstrom@larkinhoffman.com
Leslie Kathleen Harrell-Latham	klatham@larkinhoffman.com
Nauni J. Manty	ecf@mantylaw.com
Sarah J. Wencil	Sarah.J.Wencil@usdoj.gov
US Trustee	Ustpregion12.mn.ecf@usdoj.gov
Eleanor M. Drake	drake@nka.com
Jeremy D. Eiden	jeremy.eiden@state.mn.us; jeremy.eiden@gmail.com
Sarah M. Gibbs	sgibbs@fredlaw.com; jwitt@fredlaw.com
Andrea M. Hauser	ahauser@losgs.com
Brian F. Leonard	bleonard@losgs.com
Recovery Management Systems Corp.	claims@recoverycorp.com
Cass S. Weil	weilc@moss-barnett.com
Andrew P. Moratzka	apm@mcmlaw.com
Constance J. Paiement	Connie@paiementlaw.com

I further certify that I caused a copy of the foregoing documents to be mailed by first class mail, postage paid, or to be served via e-mail, as indicated, to the following non-ECF participants:

IRS District Counsel 380 Jackson St., Ste. 650 St. Paul, MN 55101-4804	Internal Revenue Service Wells Fargo Place 30 E 7th St., Mail Stop 5700 St. Paul, MN 55101	MN Dept. of Revenue Collection Enforcement 551 Bankruptcy Section 600 No. Robert Street PO Box 64447 St. Paul, MN 55101-2228
US Attorney 600 US Courthouse 300 S. 4th Street Minneapolis, MN 55415	MN Dept. of Economic Security 332 Minnesota Street St. Paul, MN 55101-1351	Kladek, Inc. 6600 River Road Inver Grove Heights, MN 55079
Steven A. Smith Nichols Kaster, PLLP 80 South 8th Street, #4600 Minneapolis, MN 55402	Anna P. Prakash Nichols Kaster, PLLP 80 South 8th Street, #4600 Minneapolis, MN 55402	Joseph Sokolowski Fredrikson & Byron, PA 200 South 6th Street, #4000 Minneapolis, MN 55402
Alliance Bank Attn: Eileen Olson 55 E. 5th Street, Ste. 155 St. Paul, MN 55101	Lentz Law Firm LLC 701 – 4th Ave. So., Ste. 500 Minneapolis, MN 55415	Julie G. Merrill, CPA, PA 4530 West 77th, Ste. 239 Edina, MN 55435
Minnesota Dept. of Revenue Sales & Use Tax Div. – Bky P.O. Box 64447 600 N. Robert St. St. Paul, MN 55146	Minnesota Dept. of Revenue Income Tax Div. – Bky P.O. Box 64447 600 N. Robert St. St. Paul, MN 55146	Sprint PO Box 7993 Overland Park, KS 66207-0993

Dated: January 27, 2011

GRAY, PLANT, MOOTY,
MOOTY & BENNETT, P.A.

/e/ Megan L. Anderson
Megan L. Anderson (MN #248058)

GP:2920781 v1

UNITED STATES BANKRUPTCY COURT
DISTRICT OF MINNESOTA

In re: Case No. 10-35032
Chapter 11

Kladek, Inc.,
d/b/a King of Diamonds

Debtor.

ORDER ALLOWING AND AUTHORIZING PAYMENT OF PROFESSIONAL FEES OF GRAY, PLANT, MOOTY, MOOTY & BENNETT, P.A., AS SPECIAL COUNSEL FOR THE DEBTOR IN POSSESSION

The above-entitled matter came on before the Court on the First Interim Application for Allowance and Payment of Professional Fees of Gray, Plant, Mooty, Mooty & Bennett, P.A., as Special Counsel to the Debtor in Possession (the "Application"). Appearances were noted in the record.

Based upon the Application, the arguments of counsel and all of the files, records and proceedings herein,

IT IS ORDERED:

1. That the notice of the Application given to the parties in interest was adequate;

2. That the Application for the allowance of compensation to Gray, Plant, Mooty, Mooty & Bennett, P.A., for professional fees in the amount of **$96,029.00,** and for the allowance of reimbursement of expenses in the amount of **$318.54**, for a total of **$96,347.54,** is approved; and

3. The Chapter 11 trustee appointed in this case is authorized to pay to Gray, Plant, Mooty, Mooty & Bennett, P.A., all allowed fees and expenses which remain unpaid as of the date of this Order.

Dated: ______________________ BY THE COURT:

____
United States Bankruptcy Judge

GP:2910530 v1